

FINGER LAKES REGIONAL COUNCIL MEETING MINUTES

NOVEMBER 1, 2011

Council Members Present: Lt. Governor Bob Duffy, Joel Seligman, Danny Wegman, A. D. Berwanger, Maggie Brooks, Dick Colacino, Charlie Cook, Bill Destler, Ted Fafinski, Mary Pat Hancock, Pamela Heald, James Hoffman, Anne Kress, Brad MacDonald, Tom Macinski, Theresa Mazzullo, Augustin Melendez, John Noble, Cynthia Oswald, Sandra Parker, Mark Peterson, Thomas Richards, Hilda Rosario Escher, Christine Whitman. **Representatives for Council Members Present:** Ginny Clark for Rob Sands, Jason Molino for Marianne Clattenburg, Patrick Rountree for James Merrick, Mitch Rowe for Laverne Lafler, Jason Aymerich for Kirsten Werner. **Members Absent:** Bob Brown, David Callard, Taylor Fitch Steve Griffin, Tyrone Reaves.

Team Members Present: Robert McNary, Joe Hamm, Dave Seeley, Betsy Colon, Kristen Fragnoli, Juliana Frisch, Kent Gardner, Laura Magee, Dick Pettite, Kiska Stevens and John Striebich.

State Agency Members: Daniel Buyer, Victoria Daly, Paul D'Amato, Phil Giltner, Linda Hardie, Lee Loomis, Elaine Miller, Rich Parker, J.C. Smith, and Ralph Van Houten.

Other Attendees: Greg Albert, Laurie Chiumento, Josh Farrellman, Bret Garwood, Amy Happ, Mark Michaud, Scott Norris, Peter Robinson, Ellen Rosen, Judy Seil, Debbie Stendardi, Bill Strassburg, Ali Touhey, Bob Traver, David Zorn, Christine Costopolous and Senator Joseph Robach.

Members of the Public and Media: Tom Tobin, Robert Brinkman, Andrew Laniak, Edward Kelly, Ann Schreiber, Gary Montgomery, Ross Micali, Lawrence Tillic, Kevin Yeyr, Euhén Tupis, and Patrick Giuliano.

Lt. Governor Duffy opened the meeting at 3:00 PM. He first thanked Dr. Kress for allowing the Council to use the MCC facilities for all of the meetings. He also conveyed his appreciation for all of the time and expertise provided by the Members and the State Agency Representatives over the past 3 months. He stated that it was important for the Region to include bold and transformative projects in our Plan. They must be included in the Plan for consideration in the future and to identify goals that we should work toward. He also told the Council that Danny and Joel will be asked to present the Plan to the Strategic Plan Review Committee at the end of the month.

Next Co-Chair Wegman thanked the Lt. Governor for his unwavering dedication to this process across the entire State. The Lt. Governor has now attended 52 Council meetings in every region. Now that we are down to the end of the process we want to make sure that we are inclusive and all ingredients in the Plan are correct. He stressed the importance of using the Plan as a guide for future economic development actions – i.e. so that we can pursue future

year funding as it becomes available. He then turned the meeting over to his Co-Chair, Mr. Seligman.

Mr. Seligman thanked the Lt. Governor and Mr. Wegman for their commitment to the process. He said that it is our goal at the meeting today to walk through the first half of the Plan. However, a majority of time today will be spent on review of the second half of the Plan, including the Regional Strategies, the Sector Strategies, the Priority Project Action Criteria, the Transformative Projects, the Five Year Projects and Actions (Implementation Agenda) and Performance Measures. He stated that we will make this document public as we continue to improve on it. He also mentioned that the four scorers (Mark Peterson, Steve Griffin, Sandy Parker and Cindy Oswald) will soon take on another task, that of scoring the 256 CFA applications that applicants have submitted for the \$1 B available for economic development.

There was a discussion about the revised Vision Statement. Dr. Kress indicated that she likes it better, but got a little lost in the last part. She asked if there would be an opportunity to define what our long term goals are. Mr. Seligman stated that composition improvements could be made. Mr. Destler made a motion to approve it, as modified, and Ms. Whitman seconded the motion. It was unanimously approved.

Ms. Escher stated that she is very pleased that community development and housing are now part of the Plan. She indicated, however, that she does not see much for small business and minorities. Mr. Seligman said that we will address these issues with the next draft.

Mr. Seligman stated that there are ten Priority or Transformational Projects included in the Implementation section of the Plan. He asked the Scoring Team to assist in a discussion about them and said that we would go over them project by project to see what questions or inquiries the Council had. Mr. Cook asked if they were in any order and where they originated from. Ms. Parker answered that we initially had 38 projects. These came from a variety of sources, including the Workgroups, the economic development community, etc. The 38 were evaluated by using the Priority Project Action Criteria and then reduced to a more manageable 17 projects. The Team evaluated them based upon such things as job creation/retention, firm commitments, leverage, ready to implement, geographical distribution, etc. After another scoring of the 17, the Team prioritized the top 10. These were then sent to the Co-Chairs for further evaluation. Mr. Seligman indicated that there was one other firm criteria – i.e. that any of these projects that were applying for the CFA funds would have to submit a CFA Application by the deadline.

Dr. Destler asked how firm the Fulcrum BioEnergy Project was. Mr. Peterson responded that there are several pieces that have to fall into place first, including the establishment of the Accelerated Innovation Fund, locating it at the Eastman Business Park, waste stream commitments, etc. Ms. Brooks asked what would happen if the project would not move forward. The Lt. Governor indicated that the Council would have the option of reallocating it to another project. Ms. Whitman asked if there would be a letter of intent from the company. Mr. Peterson stated that we already have it.

Mr. Destler asked what organization is sponsoring the Finger Lakes Business Accelerator Cooperative. Ms. Whitman indicated that it has not yet been decided, however, High Tech Rochester is the organization that is pulling much of this initiative together, and would have the largest piece of the funding. Mr. Wegman asked if this project would cover all of the nine counties. Mr. Peterson indicated that it would.

Responding to a question from Ms. Brooks, Mr. Seligman indicated that the 10 Transformational Projects would add up to the \$25 MM in Regional Capital Funds that the winning region might expect to receive. He stated that we have also allocated in our Plan areas where the \$15 MM in Excelsior tax credits can be applied.

Mr. Destler asked whether the NY-BEST Commercialization Center had “found a home” yet. Mr. Peterson responded that, to the best of his knowledge, we are the only region that has listed it as a Priority Project.

Mr. Seligman asked if there were any amendments or other transformative projects that should be added to the Plan. Ms. Brooks asked how we will add good economic development projects in the future. The Lt. Governor indicated that the Plan is not viewed as a static document, rather one that can be amended with good projects as they come to the surface. Mr. Seligman indicated that it was probably good to have more projects listed in the Plan as placeholders for future funding resources, once they become available. He also stated that there will probably be an annual review of the Plan to insure that we are capturing the most current thinking, as well as achieving our Performance Measures. Lt Governor Duffy indicated that ESD will perform an annual review to determine what progress is being made.

Dr. Kress indicated that it would be helpful to have workforce development needs and opportunities incorporated into the 10 Transformative Projects, as a cross-cutting measure. Mr. Destler stated that he understood the importance of generating a workforce that has the skills necessary to meet the job creation requirements for the region as we move forward.

Mr. Seligman next asked the Council if they felt that we had captured the right projects for inclusion in the 5 year Plan. Mr. Peterson indicated that in addition to the ten Transformative Projects discussed, there were 28 more that could be worthy of possible consideration and funding at some point. Additionally, we have not been able to evaluate the CFA Applications to see if some were worthy of Priority Project consideration. Mr. Seligman indicated that there will undoubtedly be a lot of projects that will be funded out of the \$1 B that will not be listed in the Plan.

Mr. Seligman asked if the group was ready to vote on the Transformative Projects, as submitted. Ms. Whitman made a motion to approve and Mr. Macinski seconded it. There being no further discussion, Mr. Seligman called for a vote and it was unanimously approved.

Mr. Seligman noted that the Performance Measures section comes next, after the Implementation section. He made the point that detailed Measures are difficult to recommend

because of the nature of our goals and strategies (e.g. quality of life, job performance, business climate, urban and rural poverty, infrastructure, and access to capital). He suggested that maybe we should concentrate on ones where the Strategic Plan can make a difference and not ones where we have no control. Mr. Richards stated that possibly the increase in personal or family income could be one of the metrics. Dr. Kress mentioned that possibly we should look at the type of jobs being created and assess it against the workforce skills (e.g. need for more middle skills training). Mr. Noble asked if there was a way of measuring brain drain. He also wondered if we can measure pre-college education and skills. Mary Pat Hancock stated that she felt that infrastructure improvements were an indicator of progressive economic development, something that we need to promote if we are to achieve our metrics.

Mr. Macinski noted that he felt that it was important that the Plan address the state of the natural environment, indicating that it is critical part of the geography of the Region and the rural economic character. Mr. Seligman asked if our Plan already addressed some of this through the Tourism section. Mr. Macinski indicated that this is critical to lifestyle and the economy outside of the urban areas. He stated that maybe DEC or other groups like the Farm Bureau would have statistics that could be used as baseline information. Mr. Seligman asked Mr. Macinski if he could provide some specific measurement data for the environment of our Region.

Mr. Melendez asked if we are assessing our progress against the Performance Measures on an annualized basis. Mr. Seligman indicated that he thought that that would be appropriate. Mr. Melendez asked if we should incorporate this in the Plan so that the public understands it. Mr. Seligman suggested that we might want to compare our status at the end of the year with national averages (e.g. job creation, growth in establishments, health insurance, income, recreation/tourism participation, etc.).

Mr. Seligman indicated that there will be at least two additional drafts of the Plan after today, with the final vote by the Council on November 9th. Ms Whitman indicated that four of our transformational projects are in the Clean Tech sector, putting our emphasis in this area. Mr. Cook asked if comments on the Plan would continue to go to Mark Michaud. Mr. Seligman affirmed it. Mr. Noble asked if the Workgroup reports would be further utilized. Mr. Seligman indicated that he felt that this information would be important for the future and would be utilized by the Council as we implement various parts of the Plan in the new year.

Mr. Seligman then asked for a vote on the Plan, with the modifications and improvements discussed today. Mr. Macinski made a motion to approve it and Mr. Melendez seconded the motion. There was no further discussion and it was unanimously approved.

Because there was one half an hour remaining before the opening of the public portion of the meeting, Bob McNary stated we should wait before we start the meeting again at 5:00 PM.

The Lt. Governor opened the meeting up to the public at 5:05 PM, welcoming those who joined us. Mr. Seligman mentioned that we are first going to have a discussion about our public

forums held last week, and then talk about the CFA Process. We will wrap up the session by reporting out to the public what was done at the Council meeting from 3:00 PM to 5:00 PM.

Mr. Hamm next gave a presentation on our second series of public forums, held last week in Batavia, Geneva and Rochester. He indicated that there were about 350 attendees and thanked Mr. Peterson, Ms. Parker and Mr. Griffin for their presentations at these events. The sessions were set up as Open House type of meetings where the public could move from table to table where they could learn about aspects of the Plan (e.g. Vision, Strategies, etc.) and provide their feedback by handwriting comments or entering it into a computer. About 300 comments have been received so far, with more to come. They covered a wide spectrum, including: affordable housing, workforce development, hydrofracking, etc. He also thanked the many facilitators and state agency representatives who assisted in making these recent sessions a success. Mr. Seligman indicated that Council has unanimously approved the draft plan and that it would be posted on the web with a cover memo. Mr. Hamm indicated that we would publicize this via a blast e-mail to the participants from the public sessions. This will allow us to take further comments from the public as the Plan is now approaching its final stages.

Mr. McNary thanked Mr. Hamm for coordinating an excellent public participation plan and pulling all of the pieces together.

Mr. McNary next introduced Ms. Costopoulos, who is filling in for Irene Baker. She indicated that she would speak about the recusal requirements for Members, as they will soon be seeing CFA Applications and must be sure that they do not have a Conflict of Interest on any of them. She also indicated that because of computer difficulties with the CFA system yesterday (October 31st), the State gave applicants another day to submit their applications. A handout was provided and is attached summarizing Ms. Costopoulos' presentation.

Next Mr. McNary gave an update on the CFA Review Process, as a few things have changed. Following is a summary of the items discussed:

- Co-Chairs appoint a 4 person Scoring Team
- Executive Director will provide an e-mail address and token to the Scorers so they can score the CFA applications online.
- CFA website had technical difficulties yesterday, so the State approved an extension until 4:00 PM on November 1st.
- Will be sending out a Summary of the Applications to all of the Council members so they can recuse themselves where they have a conflict of interest.
- Only the 21 non-elected officials can discuss and vote on the CFA's.
- Executive Director will assign the CFA applications to the scorers.
- Scorers must also recuse themselves.
- Scorers will enter their scores online, relating them to the Endorsement Standards adopted by the Council.
- Scorer's points shall not exceed 20 points.

- Non-Elected Council Members will then vote on the scores recommended to them by the scorers.
- Council can challenge the scores if they want.
- On October 31st we met with our scorers to review and discuss this process.
- We have until November 21st to have the Council adopt the scores. This will probably require another Council meeting prior to the 21st.
- To date there are 256 CFA Applications, with more expected by the deadline at 4:00 today.

Mr. Hoffman asked if elected members were precluded from attending the meeting where the applications will be voted on. Mr. McNary indicated that they can see the application information, however, they cannot enter into the discussions or vote on them.

Mr. Seligman then provided a summary of the actions of the Council at today's meeting before 5:00 PM. Following is a summary of some of the major items discussed:

- The Council unanimously approved a draft of the Strategic Plan. It will be further modified and improved before the final meeting on the 9th. These improvements will probably be concentrated in the Implementation Agenda Section, the Transformative Projects and the Performance Measurements.
- The 10 Transformative Projects (Priority Projects) were previously scored by Committee and recommended to the Council today. They were also approved by the Council today.
- The Transformative Projects are representative of various sectors of our economy and have geographical diversity.
- There are also 20 other projects that are important to the success of the Region.
- The Council is inviting public input on the document released today so that these comments can be integrated into the final draft which will be provided to the Council on November 7th.
- We will continue to evaluate the other CFA Applications to determine if there are other projects that should rise to the transformational level.
- This process has brought a diverse group of people and sectors together to develop a Plan that is representative of the Region as a whole. Mr. Seligman thanked both public and private officials for all of their hard work.
- A plan like this is never done. It will provide that basis for economic development as we move forward. We are proud of our region, its strengths, challenges, catalytic opportunities and collaborative spirit.

Lt. Governor Duffy also thanked those present for this heroic effort. He stated that he is sure that it will produce many long term benefits and bring the nine counties together.